

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF DELAWARE

IN THE MATTER OF THE APPLICATION OF)	
CHESAPEAKE UTILITIES CORPORATION)	
FOR APPROVAL OF A CHANGE IN ITS)	PSC DOCKET NO. 14-0299
GAS SALES SERVICE RATES ("GSR") TO)	
BE EFFECTIVE NOVEMBER 1, 2014)	
(FILED SEPTEMBER 2, 2014))	

ORDER NO. 8753

AND NOW, this 16th day of June, 2015, the Delaware Public Service Commission (the "Commission") determines and orders the following:

WHEREAS, on September 2, 2014, Chesapeake Utilities Corporation ("Chesapeake") filed with the Commission the above captioned application (the "Application") which sought approval to change its gas sales service rates ("GSR Rates") effective for usage on or after November 1, 2014; and

WHEREAS, by Order No. 8648 (September 30, 2014), the Commission determined, pursuant to 26 Del. C. §§304 and 306, that the proposed modifications to the GSR Rates should be permitted to become effective for usage on and after November 1, 2014, subject to refund and pending the Commission's further review and final decision; and

WHEREAS, an evidentiary hearing was held on April 16, 2015, regarding the Application, but the designated hearing examiner for this matter has not yet issued his report, findings and recommendations; and

WHEREAS, Section XVI of Chesapeake's tariff requires that if, during a GSR year, an over collection in the GSR Rates exceeds a 4½% threshold, Chesapeake must apply for revised GSR Rates; and

WHEREAS, on May 28, 2015, Chesapeake filed a supplemental application ("Supplemental Application") stating that its over collection balance is currently at 10.25%, which therefore exceeds the 4½% threshold amount set forth in Section XVI of Chesapeake's tariff; and

WHEREAS, Chesapeake therefore requested permission to decrease its current GSR Rates (which are presently in effect on a temporary basis and subject to refund) and to have such reduced rates be effective for bills rendered on and after July 8, 2015. In the alternative, Chesapeake requested that the Commission grant it a waiver of Section XVI of its tariff so that it would not be required to file and request an interim GSR Rate; and

WHEREAS, Chesapeake represents that the over collection resulted primarily because natural gas commodity prices decreased since the filing of the Application and firm sales customers consumed higher than budgeted volumes; and

WHEREAS, Staff has reviewed the Supplemental Application and recommends that the Commission grant Chesapeake's requested waiver of the provisions in Section XVI of its tariff which require filing for and requesting interim GSR Rates. Staff notes that Chesapeake will file an application for its next annual GSR Rates on or before September 2, 2015, and any projected over collection balance will be incorporated into and credited to customers in the calculations to support that filing; and

**NOW, THEREFORE, IT IS HEREBY ORDERED BY THE AFFIRMATIVE
VOTE OF NO FEWER THAN THREE COMMISSIONERS:**

1. For the reasons set forth in the Supplemental Application and in Staff's Memorandum, the Commission concludes that Chesapeake's requested waiver is hereby **GRANTED**. The provisions of Section XVI of Chesapeake's tariff which require the company to file for and request interim GSR Rates are waived at this time.

2. The Commission reserves the jurisdiction and authority to enter such further Orders in this matter as may be deemed necessary or proper.

BY ORDER OF THE COMMISSION:

Chair

Commissioner

Commissioner

Commissioner

Commissioner

ATTEST:

Secretary